

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
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DELPHI CORPORATION, <u>et al.</u> ,	:	Case No. 05-4481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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DECLARATION OF JAMES C. BECKER IN SUPPORT OF APPLICATION
FOR ORDER UNDER 11 U.S.C. §§ 327(a) AND 328 AND FED. R. BANKR.
P. 2014(a) AUTHORIZING EMPLOYMENT AND RETENTION OF JONES LANG
LASALLE AMERICAS, INC. AS REAL ESTATE ADMINISTRATIVE
AND TRANSACTION SERVICES PROVIDER TO DEBTORS

JAMES C. BECKER hereby declares as follows:

1. I am a Managing Director in the firm of Jones Lang LaSalle Americas, Inc. ("JLL"), proposed real estate administrative and transaction services provider for Delphi Corporation ("Delphi" or the "Company") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors").

2. I submit this declaration (the "Declaration") in support of the Application For Order Under 11 U.S.C. §§ 327(a) And 328 And Fed. R. Bankr. P. 2014(a) Authorizing Employment And Retention Of Jones Lang LaSalle Americas, Inc. as Real Estate Administrative and Transaction Services Provider To Debtors (the "Application"), filed concurrently herewith.

3. The name, address, and telephone number of JLL are as follows:

Jones Lang LaSalle Americas, Inc.
200 East Randolph
Chicago, Illinois 60601
Telephone: 312-782-5800

Qualification Of Professionals

4. JLL is well qualified to assist the Debtors in the manner described in the Application. JLL is a global integrated real estate services provider, specializing in facility services, transactional services, and lease administration. Its services include but are not limited to advising companies in complex restructuring assignments concerning the reduction of real estate operating and occupancy costs, increasing operating efficiency of real estate assets, and advising companies on all real estate matters during restructuring and reorganization or liquidation efforts.

5. Furthermore, JLL has previously advised the Debtors regarding real estate matters. JLL is thoroughly familiar with the Debtors' real estate matters based on the services that JLL has rendered to the Debtors.

Services To Be Rendered

6. In connection with the Debtors' cases, JLL intends to provide to the Debtors with the following types of professional services:

- (a) maintenance of the Debtor's real property information database containing key data of all owned and leased locations;
- (b) coordination of all lease real estate-related payables including rent and property tax payments;
- (c) issuance of notice and recommendations relating to notice provisions, expiration dates, or other dates for action by the Debtors;
- (d) performance of an initial evaluation and abstract of all real property interests;
- (e) strategic planning services;

- (f) leasing, subleasing, lease termination, or other lease disposition services;
- (g) purchase and sale services;
- (h) assistance with all facility planning and strategy; and
- (i) field review of each location, analysis of market costs and comparison of lease rates by facility.

Disinterestedness Of JLL

7. JLL has conducted a check for conflicts of interest and other conflicts and connections with respect to the Debtors' bankruptcy cases. JLL has reviewed of JLL's year-to-date revenue by client by service line. These service lines include transaction services, project management services, leasing and management services, and investment management services.

8. Based on the conflicts search conducted to date and described herein, to the best of my knowledge, and except as otherwise stated herein, neither I, JLL, nor any principal or employee thereof, insofar as I have been able to ascertain, (a) have any connection with the Debtors, their creditors, or any other party-in-interest, or their respective attorneys or accountants other than providing the Debtors with facility maintenance and administration services outside of the Engagement Agreement, (b) are "disinterested persons" under section 101(14) of the Bankruptcy Code, and as required under section 327(a) of the Bankruptcy Code, and (c) do not hold or represent an interest adverse to the estate.

9. In connection with the preparation of this Declaration, JLL conducted a conflicts examination including (a) Debtors' affiliates and subsidiaries; (b) current and former directors and officers of the debtors (of the past five years); (c) lenders; (d) insurers; (e) professionals; (f) parties to litigation and their counsel; (g) holders of 5% or more of any outstanding equity security of the Company; (h) record noteholders holding 5% or more of any outstanding issuance of notes of the Company; (i) top 50 creditors; (j) indenture trustees; (k)

underwriters of securities issued in the past three years; (l) counterparties to major leases; (m) counterparties to major contracts; (n) lienholders; (o) major customers; (p) major suppliers; (q) state and other governmental authorities; (r) letter of credit issuers and beneficiaries; (s) unions; and (t) other miscellaneous interested parties.

10. Based upon this research, I have determined that JLL has in the past represented, currently represents, and will likely represent in the future, certain of the Debtors' creditors and other parties-in-interest in matters unrelated to the Debtors or these chapter 11 cases. I do not believe that the foregoing raise any actual or potential conflicts of interest of JLL relating to the representation of the Debtors in these chapter 11 cases, but such relationships are disclosed in Exhibit A hereto of an abundance of caution.

11. JLL will periodically review its files during the pendency of these chapter 11 cases to ensure that no disabling conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, JLL will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration as required pursuant to Bankruptcy Rule 2014(a).

12. I am not related, and to the best of my knowledge, no principal or employee of JLL is related, to any United States District Judge or United States Bankruptcy Judge in the Southern District of New York or to the United States Trustee for such district or any employee in the office thereof.

Professional Compensation

13. JLL has not received compensation from the Debtors for the work to be performed under the Engagement Agreement in the past 90 days.¹ As indicated in the

¹ JLL has received payment in the past 90 days for services rendered and expenses incurred for facility maintenance and administration services that JLL has performed for the Company's owned and leased properties in the ordinary course of the Debtors' business under a purchase order.

Engagement Agreement, JLL will charge Delphi for the costs of the salary of all dedicated administrative personnel and an overhead allocation profit factor equal to 75% of the salaries of such personnel. This amount will amount to approximately \$16,375 per month with a one time set-up fee of approximately \$27,000. JLL will also charge Delphi for the costs of salary of all dedicated transaction services personnel (excluding bonuses, benefits, and payroll taxes) in accordance with a salary schedule acceptable to Delphi and an overhead allocation profit factor equal to 55% of the transactional services salaries. This fee will equal approximately \$46,000 per month.

14. According to the Engagement Agreement, JLL will be entitled to a commission or fees as agreed to by Delphi for leasing/subleasing, sales, purchases, expansions, and renewals subject to customary market commissions. In no event shall the commission due JLL exceed the commission cap scale identified in Schedule I of Exhibit B to the Engagement Agreement. JLL has also agreed to give Delphi a discount on the commissions based on revenue sharing procedure described in the Engagement Agreement, thereby reducing the overall commissions due to JLL.

15. The Debtors have also agreed to reimburse the actual and reasonable out-of-pocket expenses incurred by JLL in connection with the services provided pursuant to the Engagement Agreement. JLL will maintain detailed records of any actual and necessary costs and expenses incurred in connection with the aforementioned services.

16. JLL will file interim application(s) for payments of fees and expenses to the Court, in accordance with the applicable provisions of the Bankruptcy Code, Bankruptcy Rules, and the guidelines approved by the orders entered by the Court in these cases, including but not limited to the Administrative Order Pursuant to 11 U.S.C. §331 Establishing Procedures for

Interim Compensation and Reimbursement of Expenses of Professionals, entered by this Court on November 4, 2005 (Docket No. 869).

17. JLL acknowledges that all amounts paid to JLL during these chapter 11 cases are subject to final allowance by this Court. In the event that any fees or expenses paid to JLL during these cases are disallowed by this Court, the fees and expenses will be disgorged by JLL and returned to the Debtors or as otherwise ordered by this Court.

18. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed on November 9, 2005, at Detroit, Michigan.

s/ James C. Becker
JAMES C. BECKER

Exhibit A

Jones Lang LaSalle Conflict Summary

<u>Company</u>	<u>Nature of Service</u>
American Axle and Manufacturing Holdings Inc.	Facility Management
Ford Motor Co.	Facility Management
General Motors Corp.	Non – exclusive transaction management, project management and facility management, Investment Management
GM Powertrain	Non – exclusive transaction management, project management and facility management
GMNA	Non – exclusive transaction management, project management and facility management
GMSP0	Non – exclusive transaction management, project management and facility management
AON (Bermuda) Limited	Regional transaction services
AON Risk Services, Inc.	Regional transaction services
AON Risk Services of Illinois	Regional transaction services
Hewitt Associates	Regional transaction services
MetLife	Regional transaction services
St. Paul Fire & Marine Insurance Company	Regional transaction services
Towers Perrin	Regional transaction services
Microsoft Services	Regional transaction services, project management
Motorola Inc.	Facility Management
Siemens AG	Facilities Management
Visteon Automotive Systems	Facility Management, Project Management
Federal Mogul Corp.	Non exclusive Transaction Services

Shell Oil	Leasing & Management
Saturn Corp.	Non – exclusive transaction management, project management and facility management
Toronto Dominion Bank	Project Management
Fidelity Institutional Retirement Services Company	Facility Management
Ernst & Young	Regional transaction services & Project Management
KPMG LLC	Regional transaction services
Linklaters	Transaction services
Foley & Lardner LLP	Regional transaction services & Project Management
J.P. Morgan Trust Company, N.A.	Transaction Services & Leasing & management services
ABN AMRO Incorporated	Non – exclusive transaction management, project management and facility management
Banc of America Securities LLC	Non – exclusive transaction management, project management and facility management
Citigroup Global Markets Inc.	Transaction services, Leasing & Management services
Deutsche Bank Securities Inc.	Transaction services , Facility Management Services
HSBC Securities Inc.	Transaction Services, Facility Management
Wachovia Capital Markets, LLC	Facility Management
International Brotherhood of Electrical Workers	Leasing & management services
LaSalle National Bank	Facility Management Services
Wells Operating Partnership, L.P.	Leasing & Management services
Honeywell International	Public Institution services
Verizon	Project management services
Goldman Sachs Credit Partners L.P.	Facility Management Services

National City Bank	Project management and Transaction services
Wells Capital Management	Leasing & management services
Wind River CLO I, Ltd.	Regional Transaction services
Lehman Brothers	Leasing & Management services
Mellon Trust	Exclusive transaction management, project management and facility management
State Street Bank and Trust Company	Project Management services
Capital Group International, Inc.	Leasing & Management services